

VZCZCXRO5541
RR RUEHBC RUEHDE RUEHIHL RUEHKUK
DE RUEHGB #4738 3621333
ZNY CCCCC ZZH
R 281333Z DEC 06
FM AMEMBASSY BAGHDAD
TO RUEHC/SECSTATE WASHDC 8771
INFO RUCNRAQ/IRAQ COLLECTIVE
RUEATRS/DEPT OF TREASURY WASHDC

C O N F I D E N T I A L BAGHDAD 004738

SIPDIS

SIPDIS

E.O. 12958: DECL: 12/27/2016

TAGS: [ECON](#) [EFIN](#) [IZ](#)

SUBJECT: PRT TIKRIT: PROVINCIAL BUDGET EXECUTION PART III:
PRT FOCUSED ON SMALL STEPS FORWARD

REF: A. BAGHDAD 4728

[1](#)B. BAGHDAD 4729

Classified By: PRT Leader Stephanie Miley for reasons 1.4 (b) and (d).

[1](#)1. (U) This is a PRT Tikrit, Salah ad Din cable.

[1](#)2. (U) This is the third of three cables regarding budget execution in Salah ad Din province (ref A and B).

[1](#)3. (SBU) SUMMARY. PRT Salah ad Din is engaged with the provincial government on an almost daily basis in order to help create an efficient and fair budget execution process. Key PRT goals include establishing an independent accounting office and supporting a clear, accountable, and sustainable appropriations process which fairly distributes Salah ad Din,s resources throughout the province. END SUMMARY.

From Bookkeeping to Accounting

[1](#)4. (SBU) The PRT assigns two members who work full-time with the provincial government book keeper in order to process and track budget information from 2006. This is a challenging task; all records were kept manually, no project status information (allocated, committed, or uncommitted) is available, and provincial leadership is less than helpful regarding the implementation of a computerized tracking system which ensures accountability.

A Governance Challenge

[1](#)5. (SBU) Supporting the provincial government to successfully manage the anticipated 2007 budget windfall is a very high priority. Key objectives for the PRT include the fair and timely allocation of projects to all regions, encouragement of the democratic process to resolve financial disputes, and a reduction in the possibility for corruption.

Comment

[1](#)6. Bookkeeping, auditing, and financial accountability are not sexy political issues that grab headlines. But they are the basis of functioning public services, which in turn are the bedrock of legitimacy for any government. Until SaD has a "senator pothole", a provincial-level leader who recognizes that elections are won or lost on how well the basic needs of the majority of all citizens are addressed) not just from their tribe - it will continue to suffer unequal and inefficient distribution of scarce resources. Economic development, the ability of the province to attract outside

investment, and political stability depend upon the establishment of a fair, functioning budget execution process. For this reason, the PRT will continue to focus on establishing and reinforcing fundamentals of fiscal responsibility to support nascent democratic processes. END COMMENT.

16. (U) For additional reporting from PRT Tikrit, Salah ad Din, please see our SIPRNET reporting blog:
<http://www.intelink.sgov.gov/wiki/Tikrit>.
SCOBAY